

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2011-221-WS - ORDER NO. 2014-476
JUNE 10, 2014

IN RE:	Application of CUC, Inc. for Modification of)	ORDER APPROVING
	Its Tariff for Water Service and Rate)	MODIFIED TARIFF FOR
	Adjustment Request for Customers at)	WATER SERVICE AND
	Callawassie Island and Spring Island in)	RATE ADJUSTMENT
	Beaufort County, South Carolina)	

This matter comes before the Public Service Commission of South Carolina (“Commission”) on the Application of CUC, Inc. (“CUC” or “Company”) for modification of its tariff for water service and rate adjustment request for customers at Callawassie Island and Spring Island in Beaufort County, South Carolina.

CUC presently serves 1,241 water customers and 704 wastewater customers on Callawassie Island and Spring Island. The utility purchases its water wholesale from Beaufort-Jasper Water and Sewer Authority (“BJWSA”). Presently, the Company’s water and sewer rates are those approved in Docket No. 2005-87-WS, Order No. 2005-535 (September 27, 2005). At the time those rates were approved, CUC’s wholesale cost for water was \$1.64 per thousand gallons. Subsequently, the wholesale rate was increased to \$1.86 per thousand gallons, and on May 12, 2011, BJWSA notified CUC that it was again raising the wholesale price to \$2.06 per thousand gallons, effective July 1, 2011. The wholesale rates in effect as of July 1, 2011, were 25.6% higher than those in effect when Order No. 2005-535 was entered. On July 22, 2011, the Commission entered Order No. 2011-481, passing that wholesale rate increase of \$0.20 per thousand

gallons through to CUC's customers without a full-fledged rate case, as authorized under S.C. Code Ann. § 58-5-240(G), where the proposed modification to rates or tariffs does not require a determination of the entire rate structure and overall rate of return.

On May 2, 2014, the BJWSA notified the Company that the wholesale water rate would increase to \$2.26 per 1,000 gallons, effective July 1, 2014. The Company requests that it be permitted to pass this latest wholesale rate increase through to its customers, as in prior years, without a rate case.

The Office of Regulatory Staff has reviewed the utility's request and has no objection to its implementation. The Commission has determined that the request is just and reasonable and consistent with the public interest, inasmuch as it will have minimal impact upon the utility's customers, and will help the utility remain financially viable and able to continue providing adequate service. The requested relief is therefore granted, and the utility will be permitted to pass on the most recent increase in the wholesale water cost to its customers after giving at least thirty (30) days' notice of this ruling.

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This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:


G. O'Neal Hamilton, Chairman

ATTEST:


Nikiya Hall, Vice Chairman
(SEAL)